

BAKER DONELSON

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HOWARD L. SOLLINS, SHAREHOLDER

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August 3, 2017

CHS-8089

VIA ELECTRONIC MAIL AND FIRST CLASS MAIL

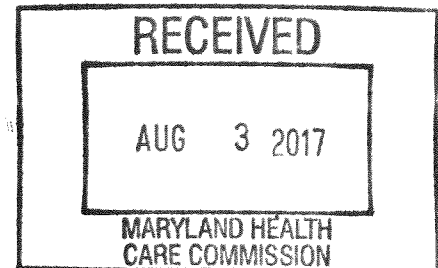
Kevin McDonald

Chief, Certificate of Need

Maryland Health Care Commission

4160 Patterson Avenue

Baltimore, MD 21215



RE: **P-B Health Home Care Agency, Inc.**
Docket No. 16-16-2385
Certificate of Need Application for
Hospice Services
Prince George's County
Submission of Additional Information

Dear Mr. McDonald:

On behalf of P-B Health Home Care Agency, Inc. ("PB Health"), we are adding to the record in the above-referenced certificate of review, the updated P-B Health Home Care Agency, Inc. 2014 Financial Statements and Independent Accountant's Compilation Report.

Thank you for including this as part of this record for consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "Howard L. Sollins".

Howard L. Sollins

HLS\tjr

Enclosures

cc: Suellen Wideman, Asst. Attorney General

Kevin McDonald
Chief, Certificate of Need
August 3, 2017
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cc: Ms. Ruby Potter
Ms. Lena Woody
Mr. Andrew Solberg
Marta Harting, Esq.
Jonathan Montgomery, Esq.
Timothy Adelman, Esq.
Pamela Brown-Creekmur, RN
John J. Eller, Esq.

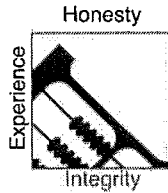
P-B Health Home Care Agency, Inc.

Financial Statements and Independent Accountants' Compilation Report

For the year ended December 31, 2014

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MOSES ALADE & Associates

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To Management
P-B Health Home Care Agency, Inc.
Baltimore, MD

Management is responsible for the accompanying financial statements of P-B Health Home Care Agency, Inc. (a corporation), which comprise the balance sheet as of December 31, 2014, and the related statements of income, changes in stockholders equity, and cash flows for the year then ended in accordance with principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance of these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Moses Alade & Associates

Moses Alade & Associates

July 6, 2017

P-B HEALTH HOME CARE AGENCY, INC
BALANCE SHEET
As of December 31, 2014

ASSETS

CURRENT ASSETS	
Cash	\$ 239,383
Accounts receivable	1,233,666
TOTAL CURRENT ASSETS	1,473,049
PROPERTY AND EQUIPMENT, NET	<u>133,291</u>
OTHER ASSETS	
Deferred Income Tax Benefit	<u>314,926</u>
TOTAL OTHER ASSETS	<u>314,926</u>
TOTAL ASSETS	<u><u>\$ 1,921,265</u></u>

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES	
Accounts payable	\$ 20,781
Accrued liabilities	1,124,832
Note payable - current portion	<u>245,699</u>
TOTAL CURRENT LIABILITIES	<u>1,391,311</u>
LONG-TERM LIABILITIES	
Due to officer	502,225
Deferred compensation	200,863
TOTAL LONG-TERM LIABILITIES	<u>703,088</u>
TOTAL LIABILITIES	<u>2,094,399</u>
STOCKHOLDER'S EQUITY	
Common stock; \$1 par value; 100 shares authorized, issued, and outstanding	100
Additional paid-in capital	400,803
Retained Earnings	<u>(574,037)</u>
TOTAL STOCKHOLDERS' EQUITY	<u>(173,134)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 1,921,265</u></u>

P-B HEALTH HOME CARE AGENCY, INC.
STATEMENTS OF INCOME
For the period Ended December 31, 2014

REVENUES	
Medicare reimbursements, net	\$ 3,346,105
Commercial services, net	1,211,201
Private care, net	<u>885,993</u>
TOTAL REVENUES	5,443,299
COST OF REVENUES	<u>(2,873,578)</u>
GROSS PROFIT	2,569,720
OPERATING EXPENSES	
Selling	30,856
General and administrative	<u>2,758,922</u>
TOTAL OPERATING EXPENSES	<u>2,789,778</u>
INCOME FROM OPERATIONS	(220,058)
OTHER REVENUES	
Refunds	<u>2,199</u>
OTHER EXPENSES	
Interest expense	<u>(51,013)</u>
NET INCOME BEFORE INCOME TAXES	(268,872)
INCOME TAX BENEFIT	<u>46,887</u>
NET INCOME	<u><u>\$ (221,985)</u></u>

P-B HEALTH HOME CARE AGENCY, INC.
STATEMENT OF CASH FLOWS
For the Period Ended December 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ (221,985)
Adjustments to reconcile net income to net cash used by operating activities	
Depreciation	23,634
Change in operating assets and liabilities	
(Increase) decrease in operating assets	
Accounts receivable	(21,216)
Deferred Income Tax	(46,887)
Increase (decrease) in operating liabilities	
Accounts payable	(1,224)
Accrued liabilities	442,207
NET CASH PROVIDED FROM OPERATING ACTIVITIES	<u>174,529</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Acquisition of inventory asset	<u>-</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal repayments on note payable	(139,508)
Deferred Compensation - Owners	(7,271)
Prior Period Adjustment	<u>(52)</u>
NET CASH USED BY FINANCING ACTIVITIES	<u>(146,831)</u>
NET INCREASE IN CASH	27,698
CASH AT BEGINNING OF YEAR	<u>211,685</u>
CASH AT END OF YEAR	<u><u>\$ 239,383</u></u>

P-B HEALTH HOME CARE AGENCY, INC
STATEMENT OF CHANGES IN STOCKHOLDER'S DEFICIT
For the Period Ended December 31, 2014

COMMON STOCK	
Balance at beginning and end of year	<u>\$ 100</u>
Balance at end of year	<u><u>100</u></u>
ADDITIONAL PAID-IN CAPITAL	
Balance at beginning of year	<u>400,803</u>
Balance at end of year	<u><u>400,803</u></u>
ACCUMULATED DEFICIT	
Balance at beginning of year	
As previously stated	(352,000)
Prior period adjustment	<u>(52)</u>
Balance at beginning of year, as restated	(352,052)
Net income for the year	<u>(221,985)</u>
Balance at end of year	<u><u>\$ (574,037)</u></u>

P-B HEALTH HOME CARE AGENCY, INC.
GENERAL ADMINISTRATIVE EXPENSES
For the Period Ended December 31, 2014

General & Administrative expenses

G&A Salaries	\$ 1,575,414
G&A Payroll Taxes	130,351
G&A employee benefits	55,655
Rent and Utilities	186,848
Communication	167,184
Professional fees	23,607
Miscellaneous	115,599
Insurance	90,291
Equipment lease	64,870
Recruitment	7,057
Automobile	43,795
Repairs and Maintenance	42,144
Personal Property Taxes	32,393
Depreciation	23,634
Due and subscriptions	24,001
Printing & Production	12,005
Meetings	3,123
Postage & Delivery	6,039
Licenses & permits	9,939
Bank Fees	<u>2,779</u>
	<u>\$ 2,758,922</u>